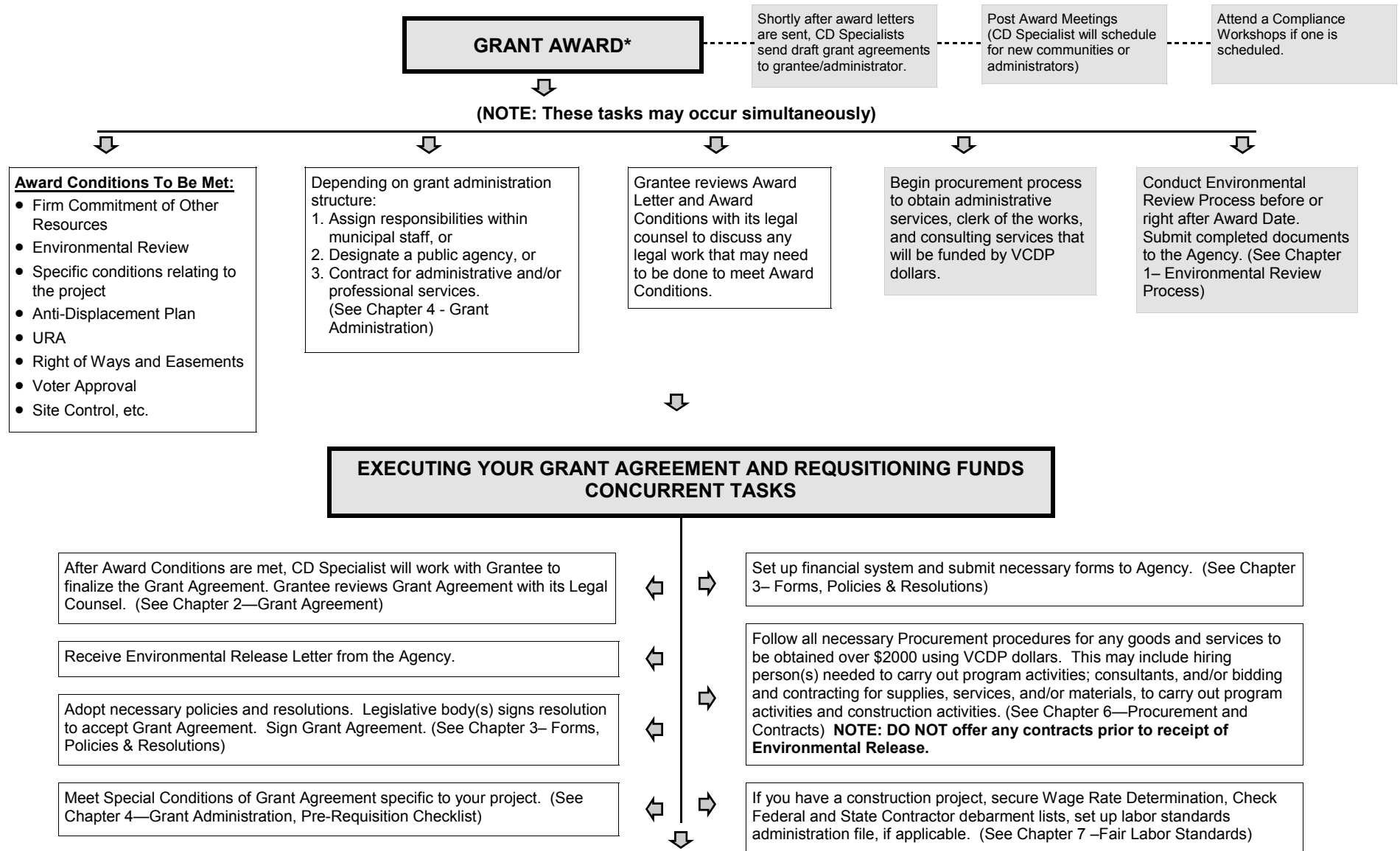


VCDP Grants Management Process Flow Chart

NOTE: All tasks are grantee's responsibility unless otherwise specified.

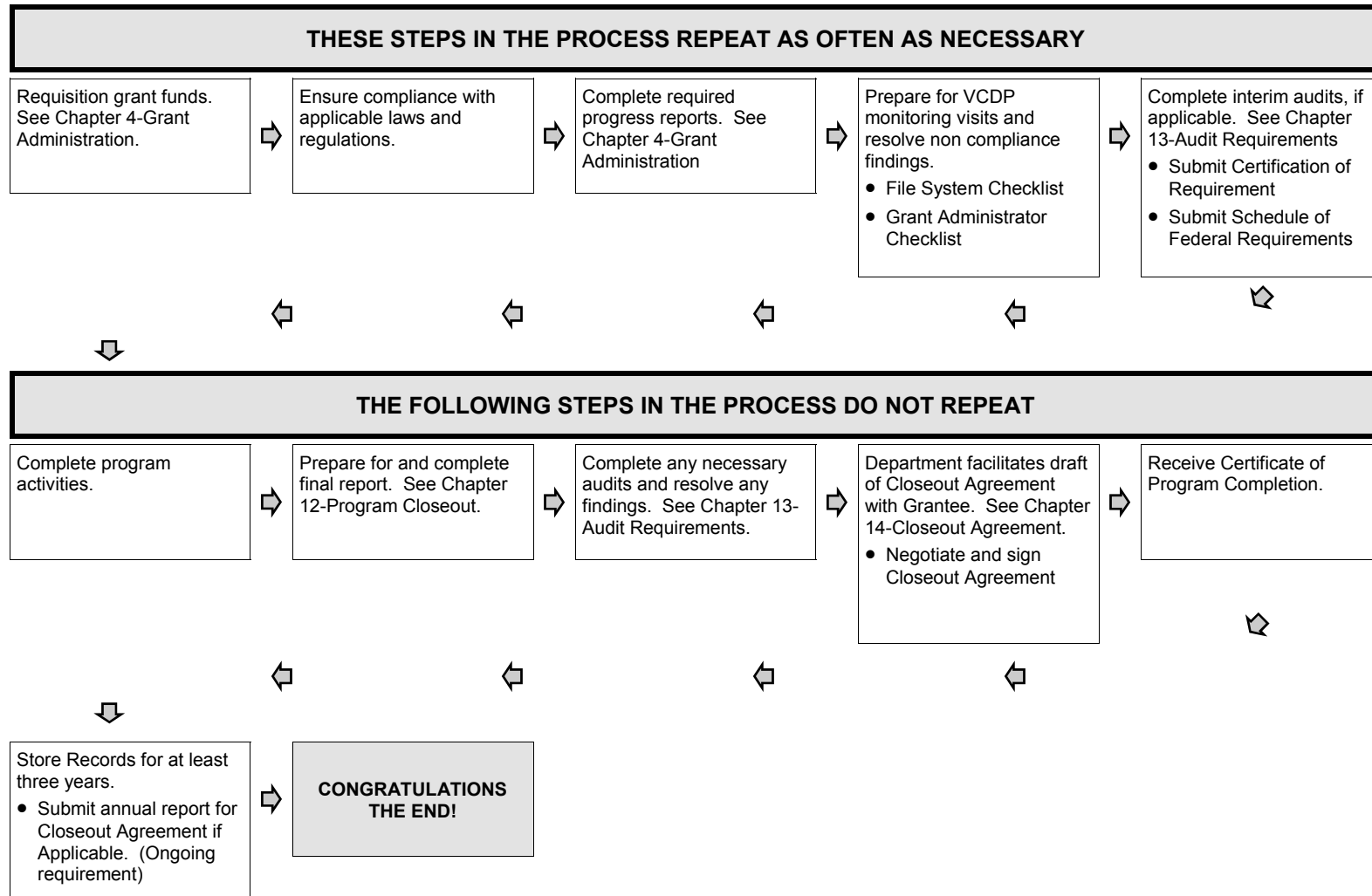


* The Award Letter conditionally offers VCDP grant funds. This money is spent at your own risk and can only be reimbursed after the Grant Agreement is fully executed.

VCDP Grants Management Process Flow Chart

NOTE: All tasks are grantee's responsibility unless otherwise specified.

IMPORTANT NOTICE: Program funds for all the tasks outlined below can only be obligated, expended or requisitioned provided all tasks shown on the prior page have been completed successfully.



Award Conditions and Executing Grant Agreements

Meeting Your Grant Award Conditions & Getting Organized

Congratulations! Your municipality (or a municipality that has retained your services) has successfully submitted an application for funds to the Vermont Community Development Program (VCDP) and has received a grant award from the Agency of Commerce and Community Development (the Agency). A lot of hard work has gone into the process and has been rewarded. But, now there is more work to do.

Letter of Award and Award Conditions

Attached to the official award letter is a listing of award conditions.

The first Award Condition states that “the Agency will automatically terminate this Award if the Applicant has not met the Award Conditions below by (a specific date) and has not requested to appear before the CD (Community Development) Board to seek an Award Renewal recommendation to the Secretary.” The date set forth in that sentence is your deadline for submitting all the documents necessary to satisfy the Award Conditions. If you meet the deadline, the Agency will proceed to prepare and offer a Grant Agreement.

Note: If the deadline set forth in the Award Conditions is not met for a Planning or Accessibility Modification Grant, then the Grantee must submit a written explanation and request for an Award Renewal to the Agency. The request will be acted upon without an appearance by the Grantee before the CD Board.

If, however, you fail to meet the deadline, you will have the opportunity to present your case for an Award Renewal – in effect an extension of the deadline. In acting upon requests for Award Renewals, the CD Board will expect you to describe the circumstances or conditions that made the original deadline unattainable. These will have to be unforeseen events beyond the control of the parties involved in the project. If the project faces a legal challenge, and this is the only delay, the Award will be renewed automatically. If the CD Board decides to grant an Award Renewal, then a new deadline will be established. New award conditions may also be imposed. If the Award is not renewed, then it will be terminated.

Please keep in mind that the sooner you submit the documents necessary to satisfy the Award Conditions, the sooner the Agency can prepare and offer a Grant Agreement. Since a Grant Agreement must be executed before VCDP funds can be requisitioned, it is in your interest to meet the Award Conditions as soon as possible.

Reimbursement For Eligible Costs

Upon receipt of a Grant Award letter, you can incur costs for the tasks associated with General Administration and Program Management. All of the work necessary to meet the Award Conditions falls into one of these categories of

**Award Condition
Deadline**

**Award Renewal
– justification to
CD Board**

**Grant
Agreement must
be executed
before VCDP
funds
requisitioned**

cost. In order to eventually receive reimbursement from VCDP funds for these costs, it is important to keep the following items in mind.

If you are an employee of the municipality that has received the Grant Award (the Grantee), you will need to record the time you devote to the work associated with meeting the Award Conditions. This is accomplished by maintaining a timesheet (see *Chapter 4-Grant Administration*). This is especially important if your work related to the Grant is only one of several functions that you perform. The requirement for maintaining a timesheet applies to all municipal employees who perform work related to the Grant. It will be necessary to maintain timesheets even if the work related to the Grant is a so-called in-kind contribution. The reason for this is that the value of in-kind contributions has to be documented.

Note: Your Award Conditions include the following language:

In the event VCDP funds are needed prior to their availability due to VCDP requirements or conditions, the Grantee and/or one of the project parties must seek bridge financing to meet any expenses that cannot be delayed. The expenditure of bridge financing must be in compliance with VCDP requirements, most notably the environmental review process.

For some VCDP funded projects, it may be necessary for certain elements of the project, such as property acquisition or construction, to move forward before all of the award conditions are met and a Grant Agreement is executed. In such cases the municipality or beneficiary organization may obtain bridge financing to allow a project to begin.

The use of bridge financing, however, to pay these costs does not eliminate the need for compliance with VCDP requirements. Most notably, you must complete the Environmental Review process and obtain a Notice of Release of Funds prior to initiating any activities for which you intend to seek reimbursement. Failure to meet this requirement could jeopardize your entire VCDP grant. Other important VCDP requirements apply as well such as competitive procurement, Davis-Bacon wage rates and the Uniform Relocation Act. If you have a need to use bridge financing for a portion of the costs of your project, it is advisable to consult with your Community Development Specialist.

If a Grantee does not meet all Award Conditions, the VCDP will not reimburse any costs paid for with bridge financing except those costs directly related to attempting to meet the Award Conditions (see **Method of Reimbursement for Eligible Costs** on the following page).

Resolution to Designate a Public Agency

If the municipality wishes to have a public agency or organization serve as the Grant Administrator, then the municipality must adopt a “Resolution To Designate A Public Agency” (See *Chapter 4-Grant Administration*). Once the resolution is adopted, the public agency and the municipality must negotiate a contract that establishes the scope of the work to be performed and the amount and methods of compensation. A “Sample Contract for Administrative Services and Program Management” can be found in *Chapter 4-Grant Administration*. Once a contract

Administrative staff must maintain timesheets

Bridge Financing – must receive environmental release

Resolution to Designate a Public Agency “Form PM-4”

is executed, the employees of a public agency that perform work under the terms of that contract should maintain whatever timesheets required by the public agency, but at a minimum must track all hours worked, not just VCDP related work.

Procurement Standards

If the municipality wishes to retain a private consultant to perform the administrative work associated with the Grant, then the municipality must comply with certain procurement standards that apply to the VCDP. These standards are described in detail in *Chapter 6-Procurement and Contracts* and in general, they are intended to provide for full and open competition in the procurement of all services funded in whole or in part with VCDP funds. In most cases this means that the municipality must issue a publicly advertised “Request for Proposals” (RFP) in order to select a particular consultant to perform the required services. Once the municipality has gone through a competitive process, the municipality and the selected consultant will need to execute a contract that can be based upon the sample referred to above.

In order to meet certain Award Conditions, it may be necessary to obtain documents and information prepared by professionals and consultants such as lawyers, architects, engineers and appraisers. In order to receive reimbursement with VCDP funds for these services, the municipality must comply with the procurement standards referenced above. An exception to this is a professional that has been retained by the municipality on a long-term and regular basis to perform services. The most common example is a lawyer in private practice that is designated as the municipality’s attorney.

Note: Procurement requirements apply to contracts for professional or personal services; the purchase of equipment or materials; and to contracts for construction, rehabilitation or demolition activities. Please refer to Chapters 6 and 7 for detailed guidance regarding compliance with procurement and related requirements.

Method of Reimbursement for Eligible Costs

As mentioned above, once a municipality has met the Award Conditions, the Agency will prepare and offer a Grant Agreement. Once the Grant Agreement is executed by both parties, the municipality (Grantee) will typically have additional Grant Agreement conditions that will need to be satisfied before it can requisition VCDP funds. In addition it will be necessary to establish a financial management system. These and related requirements are described in detail in *Chapters 2-4*. Only after these requirements have been met will the Grantee be able to requisition funds for the reimbursement of eligible expenses. Several months may elapse from the time that the expenses are incurred to the time that a requisition is approved, so the Grantee will need to plan accordingly.

If a Grant Award to a municipality is terminated by the Agency because the municipality fails to meet a deadline for satisfying Award Conditions, the municipality can still receive reimbursement for eligible expenses. To receive

Execute contracts for Administrative and Program Management Services

Use of private consultant requires competitive procurement process

See further details at Chapters 6 & 7

Financial Management System must be in place prior to requisitioning VCDP funds

reimbursement, the municipality must submit invoices and related documentation to the Agency for approval.

Limitations on Reimbursement

It is important to keep in mind that reimbursement for eligible expenses for General Administration and Program Management that are incurred prior to the execution of a Grant Agreement will be made only if VCDP funds have, in fact, been budgeted for these activities. Furthermore, reimbursement will be made only in the same proportion to which VCDP funds represent the proportion of total funds budgeted for these purposes. For example, if the total budget for General Administration is \$10,000 and VCDP funds represent \$4,000 of this amount, then only 40% of the eligible expense incurred prior to the execution of a Grant Agreement will be reimbursed.

Legal Advice

Many of the documents that must be submitted to meet your Award Conditions will need to be prepared or reviewed by municipal legal counsel. You should provide counsel with a copy of your Award Letter and Award Conditions. It is also advisable to meet with counsel to review these documents and discuss the legal work that will need to be performed to meet the Award Conditions.

Meeting Your Award Conditions

Once a municipality has received a VCDP Grant Award and has formally established responsibility for the administrative tasks associated with the grant, then work can begin on meeting the Award Conditions. Each of the Conditions that may apply to your Grant Award is presented and guidance given with respect to meeting that Condition. Please note that if you have questions regarding a particular Condition or require additional guidance with respect to meeting the Condition, you should contact your Community Development Specialist.

Award Condition: *Evidence of capacity to manage the project including the Program Management and the General Administration responsibilities.*

This Condition is imposed in those cases where a municipality applying for a VCDP Grant did not clearly demonstrate that it possessed the capacity (or had a plan to procure the capacity) to perform the tasks associated with General Administration and Program Management or has a performance record in the administration and management of previous grants that led to the Agency issuing a sanction letter. The most common reason for the Agency to impose this Award Condition is the fact that the entities responsible for these functions were not identified in the VCDP application.

To meet this condition the municipality must submit documentation that it is able to retain the services of capable and competent organizations and/or individuals to perform the necessary services. What the Agency needs depends on who will be responsible for these functions. If the entity and/or individual has a prior positive track record, the municipality can simply provide the name of the entity

Pro-rata share of expenditures eligible prior to execution of Grant Agreement

Obtain Attorney input early in the process

MEETING AWARD CONDITIONS

Administrative Capacity

See Sample Contract for Administrative Services and Program Management (GMG, Chapter 4 – 6)

and/or individual. If the entity and/or individual has no prior VCDP administrative experience, then more information is necessary. This can be in the form of resumes for the individuals who will be employed or retained along with a scope of services or work plan for the required tasks. If the municipality has a prior negative VCDP administrative record, the Agency will need evidence that the previous problems have been or will be corrected prior to the offer of Grant Agreement. Please keep in mind that this documentation should be submitted and reviewed by the Agency prior to executing any contracts for personal services.

Award Condition: *Documentation that the Environmental Review has been completed, including Section 106 Review, by submitting the appropriate environmental forms to the Department.*

An Environmental Review process is required for all VCDP Grants. It is now the policy of the Agency to require that this process be completed prior to offering a Grant Agreement. Section 106 Review is part of the Environmental Review. Section 106 of the National Historic Preservation Act requires that historic and archeological resources be considered in the implementation of federally funded projects. It applies to VCDP projects because they are federally funded. Applicants for VCDP funds are strongly urged, but not required, to begin the Section 106 review process prior to the submission of an application. The reason for this is that the review may determine that additional consultation will be needed for a project that impacts or potentially impacts historic or archeological resources. If such is the case, the cost of these consultations should be included in the project budget. Further guidance on Section 106 Review and advice on meeting this condition can be found in *Appendix C of the VCDP Application Guide – Instructions and Appendices*.

The requirements of the Environmental Review process are covered in detail in *Chapter 1 of the VCDP Grants Management Guide*. Questions regarding the Environmental Review process including historic preservation and archaeological reviews should be directed to Ray Marzbani at (802) 828-5226 or Ray.Marzbani@state.vt.us. Please note that if the completion of the environmental review process requires in-depth analyses and/or consultations, then the Agency can offer a Grant Agreement prior to the completion of the process so as to facilitate reimbursement for eligible costs.

Note: Your Award Conditions may include the following language:

If the project comes in over budget due to costs for archaeological studies beyond the Phase I level, the Agency will enhance the Award Amount in the amount determined by the Division of Historic Preservation as appropriate. This would include Phase II and/or Phase III archeological studies justified pursuant to federal historic preservation regulations and standards and VT SHPO guidelines. This increase only can occur if the Award Amount is not already at the maximum amount allowed.

This is closely related to the Section 106 Review and applies to projects that impact archeological resources. For most such projects a so-called Phase I

**Environmental
Review**

See Forms
(GMG, Chapter 1)

**Environmental
Officer –
Ray Marzbani
828-5226**

**Beyond Phase I
Archaeology –
may be eligible
for an
enhancement**

archeological study is all that will be required to meet the requirements of Section 106, with the issuance of an End of Fieldwork letter. It is possible, however, that a Phase I study will result in a determination that further investigations (Phase II and III) are needed in order to assess the potential impact of the project on archeological resources. If this is the case, the VCDP Award will be increased to cover these costs provided the Award is not already at the maximum amount allowed. If it is at the maximum, the Grantee will need to secure the necessary funds to pay for the Phase II and/or III studies.

Award Condition: *A copy of the cover page of a completed Historic Preservation Certification Application, Part 1 - Evaluation of Significance (OMB approved No. 1024-009, Form 10-168) date stamped, as received by the Vermont Division for Historic Preservation. If applicable, a copy of the State of Vermont or National Park Service notification that the building or buildings are individually listed in the National Register of Historic Places can be substituted for the cover page.*

This condition applies to projects that use Rehabilitation Investment Tax Credits (RITC's) as a means of financing the rehabilitation of a property listed on or eligible for the National Register of Historic Places. Such projects are subject to the approval of plans and specifications by the National Park Service. The submission of Part 1 (Evaluation of Significance) of the Historic Preservation Certification Application is the first step in the approval process.

Award Condition: *Copy of the applicant's Anti-displacement Plan (ADP)*

Section 12.4.1 of the Agency Procedures for the VCDP states that: "Each grantee receiving VCDP funds must adopt, make public and certify to the Agency that it is following a residential anti-displacement and relocation assistance plan." This requirement derives from Section 104(d) of the federal Housing and Community Development Act of 1974 and the Uniform Relocation and Real Property Policies Act of 1970 (URA). Please note that this requirement applies regardless of whether or not the VCDP funded activities will result in displacement and/or relocation, and it applies to each municipality participating as a Consortium Member. A model ADP can be found in *Appendix G of the VCDP Application Guide and Instructions and Chapter 5-Displacement and Relocation*). The plan must be adopted by the Legislative Body of the municipality.

Note: If a valid ADP is on file with the VCDP, another one will not be requested, if adopted within past ten (10) years.

Award Condition: *Documentation that the relocation elements necessary to assure compliance with the URA are in place.*

This Condition applies to projects involving the acquisition of real property, the potential displacement of persons, and/or the relocation of persons (either permanently or temporarily). The requirements of the URA are discussed in detail in *Chapter 5-Displacement and Relocation*. In addition, you will need a copy of *HUD Handbook 1378 (Tenant Assistance, Relocation, and Real Property Acquisition)*, which is available from the Department. The documentation that

Use of
Rehabilitation
Tax Credits

Uniform
Relocation and
Real Property
Act (URA)

See Sample
Anti-
Displacement
Plan
(GMG, Chapter 5 - 19)

URA – relocation
requirements

you must submit to meet this Award Condition includes: copies of the appraisals of any properties to be acquired; copies of the appropriate notices to the owners of any properties to be acquired; and copies of the appropriate notices to the occupants of any properties to be acquired. Compliance with the URA is complex and demanding. If some or all of this material was submitted with the application, simply alert the Department. You do not need to resubmit materials. Be sure to consult with your Community Development Specialist if you have any questions.

Award Condition: *Documentation that all necessary rights-of-way and easements have been secured.*

Any rights-of-way or easements that are necessary for the accomplishment of the funded activities that were not secured at the time of submission of the VCDP Grant Application must now be secured. You will probably need to use the services of an attorney to prepare the necessary documents and insure that they are properly executed. Keep in mind that sometimes the execution of a right-of-way or easement by a corporate entity can take several months to obtain because of the need for review and approval by corporate counsel. The same is often true of rights-of-way and easements from government agencies. Do not wait until the last minute to secure any needed rights-of-way or easements.

Award Condition: *Evidence of commitment of all Other Resources.*

This condition and the two conditions that follow relate to the funding for the project. VCDP funded projects typically involve multiple sources of public and private funding. In the nomenclature of the VCDP, these funds are known as Other Resources. This award condition applies to those Other Resources for which an applicant has not secured a firm commitment at the time a VCDP Grant Award is made or for those where the continued commitment may be questionable. The evidence of the commitment is different for different sources of funds. For most grants and/or loans from governmental entities or foundations, the evidence is usually an award letter with one or more attachments that describe the terms and conditions of the award. For municipal funds the evidence of commitment is usually a letter from the treasurer that states the amount of funds being contributed and describes the source and authority for those funds. For bank loans the documentation is usually a loan commitment letter that sets forth the terms and conditions of the loan. For projects involving funds raised through capital campaigns, a letter that states the amount of cash received signed by an accountant or the treasurer for the campaign is acceptable evidence. Amounts of money that have only been pledged do not constitute a commitment.

Please keep in mind that a letter of interest or a letter stating that funds are available is not a firm commitment. In most cases a firm commitment is obtained only after a formal application has been submitted to the funding source. If you are uncertain as to what constitutes evidence of a firm commitment for one or more of your funding sources, be sure to consult with your Community Development Specialist.

Note: Your Award Conditions will include the following language:

**Rights-of-way
and easements
must be secured**

**Documentation
of commitment
of all Other
Resources**

If the project's non-general administration budget comes in under budget, a proportion of the unused portion of the total budget (VCDP dollars and Other Resources dollars), shall be returned to the Agency. This proportion will be based on VCDP's share of the total financing package;

and this language:

If the project's general administration budget comes in under budget, the unused portion shall be returned to the Agency. The expenditure of VCDP funds for General Administration relative to the expenditure of Other Resources for General Administration must be maintained at the ratio as derived from the budget in the Grant Agreement. The unused VCDP funds budgeted for General Administration cannot be used for other activities in the Grant Agreement.

These clauses will appear as conditions of your Grant Agreement when it is offered. You need to be aware of them from the outset so that you can plan and manage your project budget accordingly. The impact of these clauses is that if you are "over" budget for either your non-general administration costs or your general administration costs you may find yourself in the position of having to return VCDP funds to the Agency. In addition, as you spend down funds it will be necessary to maintain proportionality.

Award Condition: *Voter approval for funding and/or site control has been secured.*

This condition applies to projects that either involve municipal funds (usually a bond) that must be approved by the voters and/or require voter approval for site acquisition (generally speaking municipalities cannot acquire property without voter approval). You will need to plan ahead to meet this award condition. Votes of this type have very specific warning requirements and often require the preparation of other legal documents. In addition, the results of the vote are unpredictable, and the law usually allows for petitions for a revote.

Award Condition: *No funds will be released by the Department until the municipality successfully completed all the closeout tasks under Planning Grant <Grant #>.*

If a Grant Award is made for a project that was planned and developed in whole or in part with assistance from a VCDP Planning Grant, then that Planning Grant must close out before a Grant Agreement will be offered. Successfully closing out the Planning Grant means that all elements of the study or analysis or plan that were funded must be completed and all close out documentation required by the Agency must be submitted and found satisfactory for staff to initiate a review.

Record Keeping Overview

Your records are the documentation of compliance with the Grant Agreement and all applicable laws, regulations and procedures. Without records, there is no way to report on the progress of the grant accurately. Department staff will rely on your records when monitoring, and your auditor will also need your records as part of the audit fieldwork.

Under expenditure of non-general administration budget

Return to Agency unused portion of General Administration funds

Voter Approval for municipal acquisitions and site control

Project-Specific Planning Grants must be completed

Documentation of compliance critical to ensure successful grant administration

The requirement to establish and maintain good records actually begins the moment you send in a letter of intent and continues for at least three years after the Agency issues you the Certificate of Program Completion. If there is litigation, audit findings, or unmet benefit, the beginning of the three-year period occurs when those issues are settled. A separate set of records must be maintained for each and every VCDP grant.

It is important to get things in writing from everyone, including the Department staff and to keep and file all correspondence and documents received from or sent to the Department. If documentation is required to support compliance, make sure you have it before taking any action.

If record keeping is a responsibility of your grant administrator, it is still the municipality's responsibility to be certain the administrator maintains adequate documentation. A complete set of records must be maintained, preferably in one location. The complete set may be either in the municipal files or the grant administrator's files, but some records, such as Selectboard minutes should be duplicated for municipal records as well as grant records. Upon receipt of the Certificate of Program Completion, all records should become the possession of the grantee.

**Documentation
must be
maintained for 3
years from the
completion of
the grant**

**Records
Maintenance**

File System Checklist

Grant Application

	Date Completed
_____ 1) Early Notification Form	____/____/____
_____ 2) Application copy	____/____/____
_____ 3) Application public hearing	____/____/____
_____ • Notice/minutes	____/____/____
_____ • Public comments on application	____/____/____
_____ • Application preparation material	____/____/____
_____ 4) Grant award letter	____/____/____
_____ • Award Conditions	____/____/____
_____ Other Resources	____/____/____
_____ Environmental Review (see <i>File System Checklist –Chapter 1</i>)	____/____/____
_____ Municipal Policies and Codes (see <i>File System Checklist –</i>	____/____/____
_____ <i>Chapter 3</i>)	____/____/____
_____ URA	____/____/____
_____ Anti-Displacement Plan (see <i>File System Checklist-Chapter 5</i>)	____/____/____
_____ Site Control	____/____/____
_____ Right of Ways	____/____/____
_____ Other specific conditions related to project	____/____/____

File System Checklist

- Chapter 1 Environmental Review Process** (not all forms are applicable to all projects)
- _____ 1) Act 250 Office Review Sheet (from your Grant Application)
 - _____ 2) Form ENV-1, Environmental Review Record
 - _____ 3) Form ENV-2, Certification of Exempt Activities/Request for Release of Funds
 - _____ 4) Form ENV-3, Statutory Coordination Check List
 - _____ 5) Form ENV-4, Notice of Intent to Request Release of Funds/Categorically Excluded Activities
 - _____ 6) Form ENV-5, Certification of Categorically Excluded Activities/Request for Release of Funds
 - _____ 7) Form ENV-6, Environmental Review Worksheet
 - _____ • Correspondence/determination from Division for Historic Preservation
 - _____ • All other correspondence from regulatory agencies/institutions
 - _____ 8) Form ENV-7, Combined Notice of Finding of No Significant Impact (FONSI) and Intent to Request Release of Funds
 - _____ 9) Form ENV-8, Certification of Environmental Assessment/Request for Release of Funds
 - _____ 10) Notice of Release of Funds
 - _____ 11) Public comments, if received.
 - _____ 12) Any applicable correspondence not otherwise incorporated in categories listed above.

**Date
Completed**

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File System Checklist

Chapter 2 The Grant Agreement

_____ 1) Grant Agreement	____/____/____
_____ 2) All documentation required to meet special conditions	____/____/____
_____ 3) Document Check List Items applicable to this Project	____/____/____
_____ • Subgrant Agreement	____/____/____
_____ • Loan and Security Agreement	____/____/____
_____ • Benefit/Performance Agreement	____/____/____
_____ • Promissory Note	____/____/____
_____ • Mortgage Deed	____/____/____
_____ • Mortgage and Security Agreement	____/____/____
_____ • Warranty Deed	____/____/____
_____ • Quitclaim Deed	____/____/____
_____ • UCC-1 (for equipment) or mobile home	____/____/____
_____ • Personal guarantee signed by both spouses if borrower is married	____/____/____
_____ • Standby Agreement	____/____/____
_____ • Rent Stabilization Agreement (investor-owned scattered site housing)	____/____/____
_____ • Administrative Services Contract	____/____/____
_____ • Employment Agreement	____/____/____
_____ • Guarantees of Sources of Funding	____/____/____
_____ • Other Documents as Required	____/____/____

File System Checklist

Chapter 3 Forms, Policies, and Resolutions

_____ 1) Municipal Policies and Codes

- _____ • Form MP-1
- _____ • Equal Employment Opportunity Policy
- _____ • Fair Housing Policy
- _____ • Use of Excessive Force Policy
- _____ • Policy on the Use of VCDP Funds for Federal Lobbying
- _____ • Code of Ethics
- _____ • Drug-Free Workplace

_____ 2) Financial Management Forms

- _____ • Form FM-1, Designation of Depository
- _____ • Form FM-2, Authorized Signatures for Requisition of VCDP Funds

_____ 3) Grant Agreement Resolutions

- _____ • Form PM-1, Grant Agreement Resolutions - Single Grantee. (For consortiums, use PM-2 and PM-3)
- _____ • Form PM-2, Grant Agreement Resolution - Consortium Lead Grantee
- _____ • Form PM-3, Grant Agreement Resolution - Consortium Participating Grantee

_____ 4) Certifications and Assurances

**Date
Completed**

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File System Checklist**Date
Completed****Chapter 4 Grant Administration**

_____ 1) Grant Administration

- _____ • Form PM-4, Resolution to Designate a Public Agency
- _____ • Contract for Administrative Services
- _____ • Consortium Contract

_____ 2) Financial Management

- _____ • Cash Control Ledger for all cash receipts and disbursements
- _____ • Lump Sum Agreement (scattered site housing revolving loan funds only)
- _____ • Obligations Register
- _____ • Budget Control Ledger
- _____ • Fidelity Bonding Insurances
- _____ • Time Sheets
- _____ • Other Resources Ledger
- _____ • Acceptable documentation of expenditures
- _____ • Property register

_____ 3) Requisitions

- _____ • Pre-Requisition Checklist
- _____ • Form FM-6, Requisition of VCDP Funds

_____ 4) Progress Reporting

- _____ • Form FM-10, Periodic Progress Report
- _____ • Schedule of Anticipated Program Income

File System Checklist

Chapter 5 Displacement, Acquisition and Relocation

_____1)	Notification	____/____/____
_____2)	Interviews	____/____/____
_____3)	Unit Inspection	____/____/____
_____4)	Payments	____/____/____
_____5)	Claims	____/____/____
_____6)	Complaints	____/____/____
_____7)	Evaluation	____/____/____
_____8)	Anti-Displacement Plan	____/____/____

File System Checklist

Chapter 6 Procurement and Contracts

_____	• Contracts	____/____/____
_____	• Bonding	____/____/____
_____	• Insurance	____/____/____
_____	• Employment Contracts	____/____/____
_____	• Schedules of Payments	____/____/____
_____	• Reporting Requirements	____/____/____
_____	• Debarment Check	____/____/____
_____	• Registered to do with the State of Vermont	____/____/____

File System Checklist

Chapter 7 Fair Labor Standards and Davis Bacon

_____	• HUD Guidebook “Pre-construction Conferences”	____/____/____
_____	• Form LAB-1, Request for Wage Determination	____/____/____
_____	• Pre-construction Conference Handout	____/____/____
_____	• Prime Contractor’s Report Requirements	____/____/____
_____	• Certified Payroll Transcripts	____/____/____
_____	• Construction Contract	____/____/____
_____	• Construction Employee Interviews	____/____/____

File System Checklist

Chapter 8 Documenting Benefit

- _____ • Family Income Statement
- _____ • Household Income Statement
- _____ • Employment Agreement Hiring Guide
- _____ • Employment Plan

**Date
Completed**

____/____/____

____/____/____

____/____/____

____/____/____

File System Checklist

Chapter 9 Housing

- _____ • Fair Housing Requirements
- _____ • Income Verification
- _____ • Property Eligibility
- _____ • Section 8 Inspection
- _____ • Document Benefit
- _____ • Document rehabilitation costs

**Date
Completed**

____/____/____

____/____/____

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____/____/____

File System Checklist

Chapter 10 Economic Development

- _____ • Employment agreement between the municipality and the for-profit or nonprofit

**Date
Completed**

____/____/____

Other legal documents for each loan, as applicable:

- _____ • Mortgage and promissory note

____/____/____

- _____ • Loan Agreement and Security Agreement

____/____/____

- _____ • UCC financing statements

____/____/____

- _____ • Housing Subsidy Covenant

____/____/____

- _____ • Guarantee of Principal

____/____/____

- _____ • Description of Collateral Assets

____/____/____

- _____ • Appraisal

____/____/____

- _____ • Environmental reviews and release for each recipient of a direct loan

____/____/____

- _____ • Administrative services contract

____/____/____

- _____ • Loan restructuring and workout

____/____/____

- _____ • Monitoring businesses' progress in job creation/retention

____/____/____

- _____ • Accounting Summary and copies of appropriate expenditure documentation

____/____/____

- _____ • Written Certification that the Accounting Summary is accurate

____/____/____

- _____ • Other Resources Affidavit

____/____/____

File System Checklist

Chapter 11 Public Facilities and Services
(All of these may not be applicable)

_____ 1) Public Facilities	____/____/____
_____ • Engineering feasibility study	____/____/____
_____ • All required permits	____/____/____
_____ • Applicable URA activities (see Chapter 5)	____/____/____
_____ • Rights of way and easements	____/____/____
_____ • Benefit Documentation	____/____/____
_____ 2) Public Service	____/____/____
_____ • Long term service agreements	____/____/____
_____ • Long term lease agreements	____/____/____
_____ • Benefit documentation	____/____/____

File System Checklist**Chapter 12 Program Closeout****_____ 1) Financial Activities**

- _____ • Final Drawdown request, if necessary
- _____ • Closeout Package from VCDP
- _____ • Closed Books
- _____ • Form CO-1, Notice of Program Completion
- _____ • Disposition of unexpended or unobligated funds
- _____ • Final Audit Report and documented resolution of all audit findings

_____ 2) Program Related Reports

- _____ • Form CO-6, Final Program Report
- _____ • Final Report Narrative
- _____ • Statement of how the program met National and State program objectives
- _____ • Advisement of final public hearing in required time frames
- _____ • Final Public Hearing Notice and Minutes
- _____ • Statement that all Certifications and Assurances listed in the Grant Agreement have been complied with
- _____ • List of benefits not anticipated in the grant application which have resulted from grant program activities (optional)
- _____ • Actions taken to correct all major adverse findings resulting from your own or Agency monitoring activities, and resolution
- _____ • Actions taken to deal with adverse comments/problems from all other sources, and resolution of major adverse comments
- _____ • List of equipment valued at or above \$5,000

**Date
Completed**

____/____/____

____/____/____

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File System Checklist

Chapter 12 Program Closeout (continued)

Date
Completed

- _____ • List of real property acquired with Grant Funds _____/____/____
- _____ • Comments related to the State's or Municipality's activities under the Vermont Community Development Program _____/____/____
- _____ • Copies of any report or study (sent to the Department) funded in whole or in part with VCDP grant funds, and conclusions that resulted from the activities funded under this grant _____/____/____
- _____ • Copy of Proposed Closeout Agreement submitted to the Department to deal with Program Income resulting from the use of VCDP grant funds _____/____/____

_____ 3) Record Retention Checklist

- _____ • Verification of conformance with the Grant Agreement, Agency Procedures and applicable federal and state statutes _____/____/____
- _____ • Verification that all applicable Special Conditions of the Grant Agreement were met _____/____/____
- _____ • Documentation that copies of all third party contracts supported by VCDP grant funds were supplied to the Agency as agreed _____/____/____
- _____ • Documentation that all Other Resources committed to this Grant Agreement were received and expended as set forth in the Grant Agreement _____/____/____
- _____ • Documentation that all other Special Conditions set forth in the Grant Agreement have been met _____/____/____
- _____ • Verification that all citizen information files are complete _____/____/____
- _____ • Verification that the Environmental Review file contains documentation that the proper procedures related to environmental issues were observed _____/____/____
- _____ • Sign-off from Historic Preservationist or archeologist that the project was completed in accordance with Secretary of Interior standards as set forth in MOA or Conditional No Adverse Effect letter _____/____/____
- _____ • Written personnel policies and procedures which reference Equal Employment Opportunity standards _____/____/____

File System Checklist

Chapter 12 Program Closeout (continued)

Date
Completed

_____ 4) Personnel recruitment records _____

____/____/____

- _____ • Time sheets distinguishing between grant-support and non-grant-supported activities _____
- _____ • Documentation that you have met all the requirements related to the elimination of conflicts of interest _____
- _____ • Documentation that procurement policies allowed for “free and open competition” _____
- _____ • To the extent they apply to this program, procurement documents include one or more of the following: _____
- _____ a) Adopted Municipal Codes _____
- _____ - Drug-Free Workplace Policy _____
- _____ - Equal Employment Opportunity Policy _____
- _____ - Fair Housing Policy _____
- _____ - Use of Excessive Force Policy _____
- _____ - Policy on the use of funds for Federal Lobbying (Prohibition Against) _____
- _____ - Code of Ethics for Administration of Vermont Community Development Program _____
- _____ b) Equal Opportunity Advertisements _____
- _____ c) Considerations given to minority and women-owned businesses _____
- _____ d) Requests for Proposals _____
- _____ e) Proposal Specifications _____

____/____/____

____/____/____

____/____/____

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____/____/____

File System Checklist

Chapter 12 Program Closeout (continued)

Date
Completed

_____	f) Tabulations of Proposals	____/____/____
_____	g) Evidence of acceptance of the lowest responsible proposal/bid	____/____/____
_____	5) Procedures instituted to monitor project contracts	____/____/____
_____	• Documentation that Requisitions of Grant Funds and Financial Reports were made following accounting and record keeping requirements in the Grant Agreement	____/____/____
_____	• Verification that the financial management and accounting system met with standards set forth in the Grant Agreement	____/____/____
_____	• The record keeping and accounting systems have been consistent, providing an audit trail	____/____/____
_____	• Financial records were posted up-to-date and reconciled on a regular basis	____/____/____
_____	• That all transactions are supported by source documents and that financial records correlate with the accounting records	____/____/____
_____	• Labor Standards Files contain complete documentation of compliance if required in the Grant Agreement	____/____/____
_____	• Civil Rights files contain the following to document the compliance required by the Certifications and Assurances of the Grant Agreement:	____/____/____
_____	a) Documentation that personnel and procurement procedures are not discriminatory except as allowed to meet the objectives related to Section 3 of the Housing and Urban Development Act concerning training and employment for project area residents and contractors.	____/____/____
_____	b) Documentation that the Community Development Program has been designed and implemented so as not to discriminate or deny access to benefits on account of race, color, religious creed, ancestry, national origin, sex, familial status, handicap or age.	____/____/____
_____	c) Documentation that all contracts entered into under this program contain required statutory references and that records demonstrate the monitoring activities aimed at assuring the protection of civil rights.	____/____/____
_____	d) Documentation of efforts to deal with Civil Rights/Equal Employment violations.	____/____/____

File System Checklist**Chapter 12 Program Closeout (continued)****Date
Completed**

- | | | |
|-------|--|----------------|
| _____ | • Records that completely document any real property acquisition using VCDP funds | ____/____/____ |
| _____ | • Records that completely document that proper procedures were followed in conformance with federal regulation where displacement of individuals or businesses occurred from the expenditure of VCDP grant funds | ____/____/____ |
| _____ | • That all transactions are supported by source documents and that financial file correlate with the accounting records | ____/____/____ |
| _____ | 6) Other Documentation | ____/____/____ |
| _____ | • of actions taken to deal with adverse comments/problems | ____/____/____ |
| _____ | • files/records that support conformance with Grant Agreement, Agency Procedures and applicable federal and state statutes | ____/____/____ |
| _____ | • that you have met all Special Conditions (Attachment A) of your Grant Agreement | ____/____/____ |
| _____ | • list of dates that copies of all 3rd party contracts were supplied to Agency as agreed | ____/____/____ |

File System Checklist

Chapter 13 Audit Requirements

- _____ • Certification of Audit Requirement Form
- _____ • Schedule of Federal Expenditures Form
- _____ • Procurement (see Chapter 6)
- _____ • Audit Request for Proposal
- _____ • Proposals from Auditors
- _____ • Copies of Audit Reports

**Date
Completed**

____/____/____

____/____/____

____/____/____

____/____/____

____/____/____

File System Checklist

Chapter 14 Closeout Agreement, Program Income and Designating a Nonprofit Community Development Organization (NCDO)

	Date Completed
_____ • Closeout Agreement	____/____/____
_____ • Revolving Loan Fund Plan	____/____/____
_____ • Economic Development Projects - Appropriate Review	____/____/____
_____ • Form PM-5, Resolution to Designate a Nonprofit Community Development Organization (NCDO)	____/____/____
_____ • Certification of a Nonprofit Community Development Organization form and the following:	____/____/____
_____ a) State and Federal certifications	____/____/____
_____ b) Mission Statement	____/____/____
_____ c) Articles of Incorporation and Bylaws	____/____/____
_____ d) Most recent audited financial statement	____/____/____
_____ e) Personnel policies and organizational chart	____/____/____
_____ f) Narrative amplifying the information in Items a) through e) above and a copy of your RLF's guidelines.	____/____/____

EXECUTING YOUR GRANT AGREEMENT & GETTING STARTED

Introduction

Once you have met all of your Award Conditions, the Agency will offer a proposed Grant Agreement to your municipality. As discussed below and in Chapter 2 of the GMG, the Grant Agreement is a legal and binding agreement between the municipality and the State of Vermont. Upon execution of the Grant Agreement you will begin to focus your attention on the actual implementation of the funded activities. However, your Grant Agreement will contain a number of Special Conditions that you will need to meet before you can receive funds from the Agency for reimbursement of the costs associated with these activities. In addition you will need to establish an account into which these funds will be deposited for disbursement. Finally, depending upon the nature of the funding activities you will need to give attention to policies and procedures related to construction contracts, procurement, relocation and documentation of benefit. The purpose of this Section of the Guide is to provide you with guidance and direction with respect to each of these tasks and to insure that you carry out your funded activities in accordance with your Grant Agreement

Your Grant Agreement

The Grant Agreement is the legal and binding agreement that is entered into between the municipality, referred to as the Grantee, and the state of Vermont via the Agency of Commerce and Community Development (ACCD). The Grant Agreement sets forth the Grantee's responsibilities in accomplishing the activities funded with the VCDP grant funds.

The Grant Agreement is made up of the Standard Provisions and six Attachments (A-F). See Chapter 2 pages 2-3 for complete descriptions of all the sections of the Grant Agreement. It is important to note that no funds can be requisitioned for your project until the Grant Agreement is executed. In fact, Attachment A of the Grant Agreement will likely include conditions that will need to be met before the first (and sometimes second) requisition can be processed.

Executing Your Grant Agreement

Resolution to Accept the Grant Agreement

The Legislative Body has to adopt a resolution in which it agrees to accept the Grant Agreement when it is offered, and to comply with the rules and regulations of the program. These forms appear in *Chapter 3-Forms and Policies*. This is the first formal action to be taken once the Grant Agreement is offered. It is a good idea to alert the Legislative Body that this will be presented at a regularly scheduled meeting. It is also advisable to have your legal counsel review the Grant Agreement prior to acceptance by the Legislative Body.

**Grant
Agreement**

**See Grant
Agreement
Resolution
"PM-1"
"PM-2 & 3 for
Consortium**

Meeting Your Special Conditions

Other Resources

One of the Special Conditions listed in Attachment A of the Grant Agreement requires that, prior to the first requisition of VCDP grant funds, the grantee provide evidence of the firm commitment of funds being provided to the project by other resources. Since the evidence of commitment of other funding resources was also required as a grant award condition prior to the offer of the Grant Agreement, it is most likely the case that no further evidence will be needed. However, if there has been a significant lapse of time between the Grant Agreement offer and the first requisition of funds, generally one year or longer, VCDP will require that the other resources funding commitments be re-verified. Also, if the evidence of other resource funding provided prior to Grant Agreement offer included commitment expiration dates that have passed, new documentation will be required by VCDP.

Administrative Services and Program Management Contracts

If a municipality chooses to have a public agency or a private consultant serve as the Grant Administrator then the Grant Agreement will require the municipality to enter into a contract with the agency or private consultant. The contract establishes the scope of work to be performed and the amount and methods of compensation. A “Sample Contract for Administrative Services and Program Management” can be found in *Chapter 4-Grant Administration*. The Grant Agreement will require that of a copy of the executed contract be submitted prior to the first requisition of funds for Administrative Services.

See sample contract for “Administrative Services and Program Management”

Many VCDP funded projects will also require the municipality (Grantee) or a Subgrantee to retain consultant services from professionals such as architects, engineers, economic consultants, etc. These services are categorized as Program Management for purposes of the Grant Agreement. The Grant Agreement will require the Grantee or Subgrantee to enter into a contract for these services. The contract will establish the scope of work to be performed and the amount and methods of compensation. The Grant Agreement will require that copies of the executed contracts be submitted prior to the first requisition of funds for Program Management.

Sub-Grant Agreements

A Sub-grant Agreement is required for projects where the national objective is achieved through activities in some part funded by a sub-grant of VCDP funds by the municipality. This two-party agreement sets forth the rights and obligations of both parties to the sub-grant. The Sub-grant Agreement sets forth the purpose of the sub-grant, the terms of the sub-grant, security requirements (to secure performance, rather than payment -- most commonly a mortgage), and many other important provisions. It is important to note that once the Sub-grant Agreement is executed, the Subgrantee stands in the shoes of the Grantee and therefore all requirements of federal and state law, regulations, and procedures that apply to the Grantee also apply to the Subgrantee. See the Sample Sub-grant Agreement in *Chapter 4-Grant Administration*.

See sample contracts for “Subgrant Agreements”

Loan & Security Agreements

A Loan and Security Agreement is required for projects where the national objective is achieved through activities in some part funded by a loan of VCDP funds by municipality. This two-party agreement sets forth the rights and obligations of both parties to the loan. The Loan and Security Agreement sets forth the purpose of the loan, the terms of the loan, any prepayment requirements, security requirements (most commonly a mortgage), disbursement schedule, and many other important provisions. See the Sample Loan and Security Agreement in *Chapter 4-Grant Administration*.

See sample contracts for “Loan Agreements”

Benefit & Performance Agreements

As a Special Condition (in Attachment A) of your Grant Agreement you may be required to submit a Benefit and Performance Agreement prior to the first requisition of funds for certain activities. A Benefit and Performance Agreement will be required for those projects where the VCDP assistance indirectly supports the activity that results in benefit. Most commonly this will be an economic development or housing project where VCDP funds are being used to fund the construction of infrastructure supporting those activities. For example, VCDP funds might be used to construct a sewer line extension to a manufacturing business that intends to expand and create 20 new jobs. In this case the funded activity (construction of the sewer line) will be accomplished by the Grantee (the municipality) but the benefit (20 new jobs) will be achieved by the business. Since there is no Subgrant Agreement or Loan & Security Agreement between the municipality and the business, the Benefit and Performance Agreement serves to establish the obligations of both the municipality and the business.

See sample contract for “Benefit and Performance Agreement”

Employment Agreements

An Employment Agreement (also known as an Employment Agreement Hiring Guide) will be required for all VCDP funded economic development projects – projects where the benefit to be achieved is the creation of new jobs. The Employment Agreement is a three-party agreement between the Grantee, the business that is responsible for job creation and the District Office of the Department of Employment and Training (DET). The primary purpose of the Employment Agreement is to insure that, at a minimum, 51% of the jobs to be created by the assisted business are filled by or made available to, low and moderate income persons. A sample Employment Agreement can be found in *Chapter 8-Documenting Benefit*. The Employment Agreement will need to be developed by the Grantee in consultation with the business and the appropriate DET office. The assisted business will need to provide an Employment Plan as an attachment to the Agreement. The Plan will identify the number and types of all jobs, both existing and to be created, for the business.

See sample contract for “Employment Agreement Hiring Guide”

Special Agreements

The Grant Agreement for some VCDP funded projects may include a condition that certain special agreements be executed. The form and nature of the agreement(s) will depend upon the activities being funded, the entity responsible for carrying out those activities and the benefits to be achieved. Prior to the offer of a Grant Agreement your Community Development Representative will discuss with you the

need for any special agreements and will advise you as to the form and nature of the agreement(s).

Opinion of Legal Counsel

The Grant Agreement requires the Municipality to provide a opinion from its legal counsel prior to the first requisition of funds that the subgrant agreement or loan and security agreement, agreements required by these agreements, and perhaps other contracts entered into by the Municipality, are legal, valid, and binding instruments, enforceable in accordance with their terms; that such documents meet the requirements of the Grant Agreement and provide for use of the VCDP funds in compliance with the Grant Agreement; and that the subgrantee has met all conditions required under such documents which must predate the requisition. The VCDP relies on this opinion, rather than reviewing all of these documents on its own, to assure that the legal relationships are established and that rights and responsibilities are properly allocated, all in order to provide for proper performance of the activities funded with the VCDP grant funds.

Requisitioning Funds

Municipal Policies and Codes

Prior to requisitioning any grant funds, federal law requires that six policies listed below are adopted by the municipal legislative body. Completion of Form MP-1 will certify to VCDP that these policies and codes have been adopted. VCDP requires that Municipal Policies and Codes that were adopted by a legislative body ten or more years earlier be re-adopted by the current legislative body and a new MP-1 be submitted. See *Chapter 3-Forms and Policies* for further information on the policies and codes.

- The Equal Employment Opportunity Policy
- The Fair Housing Policy
- The Use of Excessive Force Policy
- The Policy on the Use of VCDP Funds for Federal Lobbying
- The Code of Ethics
- The Drug-Free Workplace Act of 1988

Designation of Depository and Authorized Signatures

These two forms must be completed before you can requisition VCDP funds:

- Form FM-1: Designating of Depository
- Form FM-2: Authorized Signatures for Requisition of VCDP Funds

The forms and instructions for completing them can be found in *Chapter 3-Forms and Policies*.

Fidelity Bonding

The individual(s) authorized to sign the checks from the depository account must be bonded in the amount commensurate with the potential amount to be requisitioned.

**Attorney's
Opinion Letter**

**See sample
"Municipal
Policies &
Codes PM-1"**

**See Designation
of Depository
"FM-1" and
Authorized
Signatures for
Requisitions
"FM-2"**

Fidelity Bond

Insuring Your Depository Account

There is a “financial management” requirement for which you may need additional preparation. Regulations require that all deposits be protected by some form of insurance. Most standard bank accounts have coverage **up to \$100,000**. If you are planning to request a drawdown greater than \$100,000, you should arrange to have the bank provide additional insurance so that the entire deposit is protected. Your requisition cannot be processed until this is done.

Other Steps You May Need to Take

Fair Labor Standards and Davis Bacon Wage Rates

Any housing project of more than seven units or any other construction project of more than \$2,000, where federal funds are all or part of project funding, triggers the requirements of the Davis Bacon Act, the Copeland anti-Kickback Act, and the Contract Work Hours and Safety Standards Act. These federal laws impose considerable record keeping obligations, and impose obligations on your contractors and subcontractors. Please refer to *Chapter 7-Fair Labor Standards and Davis Bacon* for detailed guidance regarding Fair Labor Standards and Davis Bacon Wage Rates to ensure that workers receive no less than the prevailing wage rate for similar work in each specific locality. The Grantee must secure the wage rates from the following website: www.gpo.gov/davisbacon, **before** your construction project goes out to bid.

Uniform Relocation Act

Will real property be purchased or any business be relocated? Then the **Uniform Relocation Act** is triggered. Further information appears in *Chapter 5-Displacement and Relocation*.

Procurement

Procurement requirements apply to contracts for professional or personal services; the purchase of equipment or materials; and to contracts for construction, rehabilitation or demolition activities. Detailed guidance regarding procurement and contracts is provided in *Chapter 6-Procurement and Contracts*.

Note: As part of the procurement process for contracts for construction, rehabilitation or demolition and **prior to awarding a contract**, the Grantee or Administrator must verify and document that the prime contractor and all subcontractors are not listed on the HUD debarment list by checking the following website: [HTTP://epls.arnet.gov/servlet/EPLSSearchMain/1](http://epls.arnet.gov/servlet/EPLSSearchMain/1).

In addition, the Grantee or Administrator must verify and document that the prime contractor has been certified and registered with the Vermont Secretary of State's Office by checking the following website:

[HTTP://WWW.SEC.STATE.VT.US/SEEK/DATABASE.HTM#CORPORATIONS](http://www.sec.state.vt.us/seek/database.htm#corporations)

For additional information please contact the Grants Management Division.

**Bank
Collateralization
Agreement**

**Secure Davis
Bacon Wage
Rates**

Debarment List

**Registered to do
Business in VT**

Documenting Benefit

Section C (entitled National Objective) of Attachment B of your Grant Agreement establishes the benefits to be achieved by your funded activities. This is expressed as the total number of persons who will benefit and the number of beneficiaries that are low and moderate persons. *Chapter 8-Documenting Benefit* provides detailed instructions and guidance with respect to documenting benefit.

Grantee/Administrator Checklist

GETTING ORGANIZED

File all records and documents as received

_____ Identify person with responsibility to file and maintain records.

_____ Set up files with tabs system provided.

Date
Completed

___/___/___

___/___/___

GETTING STARTED

Chapter 1 Environmental Review Process

_____ Each grant activity reviewed separately and a separate environmental determination made for each.

_____ Environmental Review Record (Form ENV-1) set up for each activity and procedures followed in the Handbook for Compliance with Environmental Review Standards.

_____ All environmental review forms indicated in handbook filled out with required dates and signatures.

_____ Originals of all required forms and the necessary back up documentation sent to the Agency.

_____ Copies of all required forms and the necessary back up documentation filed in the Environmental Review file.

_____ Copy of Environmental Release letter from the Agency received and filed in the Environmental Review file.

_____ Procedure established for following any requirements outlined in the Environmental Release letter.

_____ Procedure for follow-up on any requirements of the Historic Preservation Officer.

Date
Completed

___/___/___

___/___/___

___/___/___

___/___/___

___/___/___

___/___/___

___/___/___

___/___/___

Grantee/Administrator Checklist

Chapter 2 The Grant Agreement

- _____ Receive Attachments A, B, C, and D as drafted by the Agency representative.
- _____ Return draft attachments with comments and suggestions.
- _____ Receive final Grant Agreement from Agency for final approval.
- _____ Return Grant Agreement from Agency with authorized signature.
- _____ Receive fully executed Grant Agreement from Agency.
- _____ File original.

Date
Completed

___/___/___

___/___/___

___/___/___

___/___/___

___/___/___

___/___/___

Chapter 3 Forms, Policies and Resolutions

Municipal Policies and Codes

- _____ Adopt the policies as necessary at a regularly warned meeting of the legislative body.
- _____ File original in municipal files and copy in Grant Award file (whether administered by the municipality or a subgrantee).
- _____ Send copy to your Agency representative.

Date
Completed

___/___/___

___/___/___

___/___/___

Financial Management Forms

- _____ For Form FM-1, if securing insurance for over \$100,000, send documentation to the Agency.
- _____ For Form FM-2, check box that indicates whether one or two signatures are required.
- _____ For Form FM-2, type the names of authorized signatories and have them sign in the appropriate places; the CEO or designee must sign the form.
- _____ Send originals to the Agency.
- _____ File copies in Grant Award file.

Date
Completed

___/___/___

___/___/___

___/___/___

___/___/___

___/___/___

Grantee/Administrator Checklist

Grant Agreement Resolutions

_____ Adopt the resolution(s) as necessary at a regularly warned meeting of the legislative body(s).

_____ File copies in the grantee's Grant Award file.

**Date
Completed**

___/___/___

___/___/___

Loan and Security Agreement

_____ Have Loan and Security Agreement signed by borrower.

_____ File copies in the grantee's Grant Award file.

**Date
Completed**

___/___/___

___/___/___

Federal Compliance Requirements Checklist

Your grant may trigger certain compliance requirements. Check which ones of the following describe parts of your program and refer to appropriate chapters in the Guide to ensure that proper procedures are in place. Other requirements will also apply and will appear in later chapters, but these are the ones that often cause difficulty when not prepared for in advance.

_____ Your program involves a construction project of over \$2,000 using contract labor. See Chapter 7 on Davis-Bacon.

_____ Your program requires a contract for supplies, materials and construction. See Chapter 6 on Procurement and Contracts.

_____ Your program involves acquisition and/or relocation or potential displacement of any Individuals, businesses, firms, or organizations. See Chapter 5 on Displacement, Acquisition and the Uniform Relocation Act.

_____ Your program involves job creation and/or retention, housing rehabilitation, acquisition, or construction, or any other activities which must show benefit to low and moderate Income people. See Chapter 8, Documenting Benefit and Chapters 9, 10 and 11 on Program Management.

_____ Some programs disclose a real or perceived conflict of interest on someone's part. If you find any indication of this, alert your CD Specialist immediately.

**Date
Completed**

___/___/___

___/___/___

___/___/___

___/___/___

___/___/___

Grantee/Administrator Checklist

Date
Completed

_____ All VCDP funds must be protected. All people at the grantee level who deposit VCDP funds (including Program Income) and/or sign checks must secure a fidelity bond in an amount **commensurate with potential loss**.

____/____/____

_____ All grants require Progress Reports. See Chapter 4 for the types of information you will need to collect throughout the duration of your grant.

____/____/____

_____ If your program will receive Program Income, a proposal for administration of that program income was a part of your grant proposal. A final plan for administration of Program Income will appear in a Closeout Agreement with the Agency. A draft agreement should be reviewed by the Agency midway through the grant period. See Chapter 14.

____/____/____

_____ All grant funds must be audited. Depending on the amount of federal funds expended in any particular municipal fiscal year, a municipality must hire an independent, outside auditor to conduct a single audit. VCDP recommends that you call in an auditor at the beginning of the grant period to review your financial management System to ensure the auditability of the grant. See Chapter 13 on Audit Requirements. If you pay for the audit with VCDP funds, you must hire the auditor using a competitive hiring process described in Chapter 6, Procurement and Contracts, or have gone out to bid for the auditor within the past three years.

____/____/____

Date
Completed

Chapter 4 Grant Administration

Grant Administration

_____ Choose administrative structure.

____/____/____

_____ If within municipal administration, send a letter to the Agency with name of person(s) assigned to be the grant administrator(s) along with their title and other responsibilities.

____/____/____

Designating a Public Agency

_____ If contracting with either a public agency or a consultant, send the Agency a copy of the contract as required in Attachment A of the Grant Agreement, as well as Form PM-4, Resolution to Designate a Public Agency, if applicable.

Date
Completed

____/____/____

Grantee/Administrator Checklist

Financial Management

_____	Establish non-interest bearing depository account.	___/___/___
_____	Execute Lump Sum Agreement with Financial Institution (if applicable), and send a copy to the Agency. <i>Only for scattered site rehabilitation revolving loan funds.</i>	___/___/___
_____	Decide who will have the financial management responsibilities.	___/___/___
_____	• obligations register	___/___/___
_____	• cash control register	___/___/___
_____	• cash receipts journal	___/___/___
_____	• cash disbursements journal	___/___/___
_____	• budget control ledger	___/___/___
_____	Prepare an internal control system and train personnel in its use.	___/___/___
_____	Identify the sources of Other Resources and establish documentation guidelines for expenditure of each source.	___/___/___

Requisitions

_____	Read instructions on the back of the requisition form very carefully prior to filling out each requisition.	___/___/___
_____	Ensure that documentation is in the files to support each requisition.	___/___/___
_____	Fill out the requisition form with all required dates and signatures, making sure the requisition form is signed by the correct number of authorized individuals.	___/___/___
_____	Complete Part III of requisition reporting the total expenditure of Other Resources to date.	___/___/___
_____	Send requisition form to the Agency.	___/___/___
_____	Place a copy of each requisition form in grant files under Financial.	___/___/___

Grantee/Administrator Checklist

Progress Reports

- _____ Identify who has responsibility for completing the Progress Report (may include different individuals for various sections of the report).
- _____ Read instructions for Progress Reports and if anything is unclear contact your CD Specialist.
- _____ Establish a tickler file so due date for Progress Reports is known and met.

Date
Completed

___/___/___

___/___/___

___/___/___

Chapter 5 Displacement, Acquisition and Relocation

Acquisition

- _____ Complete all steps in the acquisition process as required by the Uniform Act, such as appraisal(s), written purchase offer(s), documentation of payments to the owner(s), all pertinent legal documents completed and filed.
- _____ Show dates and sequence of each phase of the acquisition process.
- _____ Where acquisition is voluntary, show that the owner(s) were notified in advance.

___/___/___

___/___/___

___/___/___

The Uniform Relocation Act

- _____ If URA applies request Handbook 1378.
- _____ Review and begin implementation of municipality's Anti-displacement Plan.
- _____ Prepare adequate relocation plan for relocation of affected people and businesses.
- _____ Send copy of relocation plan to Agency for review and approval.
- _____ Hire and train staff sufficiently to carry out plan.
- _____ Notify all affected parties in writing of their potential (actual) displacement.
- _____ Inform affected parties of their rights and potential eligibility for benefits.

Date
Completed

___/___/___

___/___/___

___/___/___

___/___/___

___/___/___

___/___/___

___/___/___

Grantee/Administrator Checklist**Date
Completed**

- | | | |
|--------------------------|--|-------------|
| <input type="checkbox"/> | Provide counseling and technical assistance to those displaced through their relocation. | ___/___/___ |
| <input type="checkbox"/> | Receive and process moving expense claims promptly. | ___/___/___ |
| <input type="checkbox"/> | Evaluate relocation activities as to their success. | ___/___/___ |
| <input type="checkbox"/> | Ensure that adequate documentation of relocation activities exists. | ___/___/___ |

Chapter 6 Procurement and Contracts**Date
Completed****Procurement**

- | | | |
|--------------------------|--|-------------|
| <input type="checkbox"/> | Follow proper procurement standards. (See Agency Procedures, Chapter 10) | ___/___/___ |
| <input type="checkbox"/> | Determine proper procurement method. (See Agency Procedures, Chapter 10) | ___/___/___ |
| <input type="checkbox"/> | Advertise invitation to bid; locally, regionally, Dodge Reports, works in progress. | ___/___/___ |
| <input type="checkbox"/> | Advertise for sealed bids, or requests for proposals (if using competitive negotiations). | ___/___/___ |
| <input type="checkbox"/> | Encourage, through advertisement, the use of local and minority business enterprises. | ___/___/___ |
| <input type="checkbox"/> | Ensure competitive procurement standards are met for professional services, clerk-of-the-works contracts that will be paid with federal funds. | ___/___/___ |
| <input type="checkbox"/> | Ensure all contracts for prime contractors are competitively procured, and all related procurement documentation maintained. | ___/___/___ |
| <input type="checkbox"/> | Meet with prospective bidders. If necessary, hold a workshop for prospective bidders. | ___/___/___ |
| <input type="checkbox"/> | Set deadlines for acceptance of bids and/or proposals. | ___/___/___ |
| <input type="checkbox"/> | Be available at the monitoring visit: | ___/___/___ |
| | <input type="checkbox"/> Pre-Qualification Agenda | ___/___/___ |
| | <input type="checkbox"/> Bid summary sheet. | ___/___/___ |
| | <input type="checkbox"/> Pre-bid meeting (notice and minutes) | ___/___/___ |
| | <input type="checkbox"/> Bid opening (notice and minutes) | ___/___/___ |
| | <input type="checkbox"/> Notice to rejected bidders | ___/___/___ |
| <input type="checkbox"/> | Make sure all prospective bidders understand the conditions under which a contract will be let. | ___/___/___ |

Grantee/Administrator Checklist

Date
Completed

_____ Make sure all potential bidders are capable of being bonded if bid bonds are required.

____/____/____

_____ Make sure the prime contractor and subcontractors are not listed on the HUD debarment list on the following website:
[HTTP://epls.arnet.gov/servlet/EPLSSearchMain/1](http://epls.arnet.gov/servlet/EPLSSearchMain/1)

____/____/____

_____ Make sure the prime contractor has been certified and registered with the Vermont Secretary of State's Office to do business in the state on the following website:
www.sec.state.vt.us/seek/database.HTM#corporations

____/____/____

_____ Provide Notice of Award.

____/____/____

_____ Provide Notice to rejected bidders.

____/____/____

_____ Provide Notice to proceed.

____/____/____

_____ Provide certification of substantial completion.

____/____/____

_____ Conduct pre-construction conference.

____/____/____

Contracts

Date
Completed

_____ Write contract and check for minimum requirements.

____/____/____

_____ Review and meet Special Conditions (Attachment A) requirements regarding all contracts.

____/____/____

_____ Set up a contract file for each individual contract. (All related documents should be maintained in this file.)

____/____/____

_____ File any legal instruments related to the contract with the municipal clerk where applicable.

____/____/____

Chapter 7 Fair Labor Standards and Davis Bacon

_____ If Davis-Bacon applies, secure wage rate determination from the following website www.gpo.gov/davisbacon or request rates from the Agency by using Form LAB-1.

____/____/____

_____ Place copy of secured wage rate determinations in file or the copy received from the Agency.

____/____/____

Grantee/Administrator Checklist

		Date Completed
_____	Include labor standards in bid specs and contracts.	___/___/___
_____	Assign labor standards compliance management to specific individuals.	___/___/___
_____	Check with Agency on contractors' eligibility to participate in federal contracts.	___/___/___
_____	Perform labor standards compliance monitoring.	___/___/___
_____	Hold a pre-construction conference; record and file minutes.	___/___/___
_____	Regularly complete and review required forms.	___/___/___
_____	Maintain thorough records.	___/___/___
_____	Employee Interview worksheets.	___/___/___

Chapter 8	Documenting Benefit	Date Completed
_____	Determine method of establishing and documenting benefit.	___/___/___
_____	Identify person(s) with responsibility for preparing benefit records.	___/___/___
_____	Review periodically how the benefit achieved to date measures up to the benefit required by the terms of the Grant Agreement.	___/___/___
_____	Determine where the benefit records are to be physically located.	___/___/___

PROGRAM MANAGEMENT

Chapter 9	Housing (some items may not be applicable)	
_____	Hire and train staff.	___/___/___
_____	Determine basic housing needs of the community or target area.	___/___/___
_____	Create an advisory group and outline duties.	___/___/___
_____	Develop operating procedures.	___/___/___
_____	Market the program in the appropriate area.	___/___/___

Grantee/Administrator Checklist

_____	Acquire property.	____/____/____
_____	Solicit and review applications.	____/____/____
_____	Determine income and property eligibility.	____/____/____
_____	Make awards.	____/____/____
_____	Carry out construction or rehab activities:	____/____/____
_____	a) develop work plan based on Section 8 inspection.	____/____/____
_____	b) hire contractor.	____/____/____
_____	c) see that all necessary permits are secured.	____/____/____
_____	d) arrange for loans or grant funds.	____/____/____
_____	e) review and authorize any change orders.	____/____/____
_____	f) perform final inspection to ensure that all Section 8 requirements are met.	____/____/____
_____	g) pay any amounts owed to contractors and secure release of liens.	____/____/____
_____	h) ensure that all records for each project are correct, completed and filed.	____/____/____

Chapter 10 Economic Development

_____	During the grant agreement negotiation process with VCDP, ensure that all parties (municipality, for-profit business and/or nonprofit organization) agree on the terms and conditions of the agreement.	____/____/____
_____	Ensure that the loan documents between the municipality and the business/nonprofit are consistent with the grant agreement.	____/____/____
_____	Clearly define program roles and functions: job documentation/reporting, progress reporting, specific federal compliance requirements, etc.	____/____/____
_____	Establish periodic (at least quarterly) assessments by the municipality of the financial condition of the company and their continued capability to meet the loan obligations.	____/____/____

Grantee/Administrator Checklist

Chapter 11 Public Facilities and Services

_____	Secure all the necessary permits. (List and date)	____/____/____
_____	_____	____/____/____
_____	_____	____/____/____
_____	_____	____/____/____
_____	_____	____/____/____
_____	_____	____/____/____
_____	Set up construction contract administration file. (Facilities)	____/____/____
_____	File all documentation.	____/____/____
_____	As required in Attachment A of the Grant Agreement, send copies of the documents to the Agency.	____/____/____

CLOSING OUT THE GRANT

Chapter 12 Program Closeout

The checklist for this Chapter is included in the VCDP Program Closeout Handbook which will be sent to you by Agency staff as you approach closeout.	____/____/____
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Chapter 13 Audit Requirements

_____	Confirm that the legislative body is fully aware that the VCDP funds will not pay the full fee if a single audit is required and the grantee must pay the amount not chargeable to the grant.	____/____/____
_____	File documentation that the auditor was hired using a proper procurement method.	____/____/____
_____	File the auditor contract (not to exceed three years).	____/____/____
_____	Read the Single Audit Act as amended July 1996, A-133, and Agency Procedures, Chapter 48.	____/____/____

Grantee/Administrator Checklist

- _____ Verify that the contract(s) with the subrecipient(s) contains language:
 - _____ 1) requiring the subrecipient to have a proper audit conducted, and
 - _____ 2) permitting independent auditors access to financial records.
- _____ Select the method in which you will determine whether the subrecipient has complied with applicable laws and regulations.
- _____ Determine at the end of your fiscal year whether or not a single audit report is necessary, being sure to include Program Income in the determination.
- _____ Submit the audit report to the Department within the required time frame.
- _____ Submit to the Department your response to any findings, questioned costs and internal control weakness/reportable condition contained in the audit report.

Date
Completed

___/___/___

___/___/___

___/___/___

___/___/___

___/___/___

___/___/___

___/___/___

Chapter 14 Closeout Agreement, Program Income and Designating a Nonprofit Community Development Corporation

Closeout Agreement

- _____ Develop Closeout Agreement draft with anticipated amount of Program Income, use of funds, budgets and management plan.
- _____ Review draft for current validity and revise as necessary.
- _____ Submit required materials to the Agency and file copies in grant files.

Date
Completed

___/___/___

___/___/___

___/___/___

Program Income and Designating a Nonprofit Community Development Organization (NCDO)

- _____ Develop revolving loan fund policies and procedures.
- _____ Decide whether RLF will be a municipal project, or;
- _____ Designate a nonprofit community development organization (NCDO).

Date
Completed

___/___/___

___/___/___

___/___/___